

SENATE BILL REPORT

SB 6440

As Reported By Senate Committee On:
Health & Long-Term Care, January 31, 1996

Title: An act relating to the acceptance of accreditation of hospitals.

Brief Description: Requiring acceptance of standardized hospital credentials by health care services providers.

Sponsors: Senators Moyer, Prentice, Hochstatter, Rasmussen, Schow, Prince, Deccio, Quigley and Winsley.

Brief History:

Committee Activity: Health & Long-Term Care: 1/29/96, 1/31/96 [DP].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Quigley, Chair; Wojahn, Vice Chair; Deccio, Fairley, Franklin, Moyer, Thibaudeau, Winsley and Wood.

Staff: Rhoda Jones (786-7198)

Background: The Department of Health and the federal government's Health Care Financing Administration (HCFA) review all aspects of hospital operations as part of the state licensure and accreditation process for hospitals. Certification by HCFA is necessary to receive payment from Medicare. Ninety-one of the 92 hospitals in the state are Medicare certified. Some hospitals also receive accreditation by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). This is voluntary, but many hospitals view a JCAHO accreditation as essential for insurance company contracting.

Hospitals who do not choose to seek JCAHO accreditation are, in some cases, finding that insurers are refusing to contract with their facility. There is no specific regulation from the Insurance Commissioner's office on whether or not insurers can reject service from a state licensed hospital on the ground that it does not have the extra certification from JCAHO.

Summary of Bill: Insurers must accept Medicare certification or JCAHO from hospitals. Insurers listed include those providing state-purchased health care, individual benefit plans, group disability, blanket disability, health maintenance organizations, the state's Basic Health Plan and medical services provided to children who qualify for medical assistance.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The bill is not necessary.

Testimony Against: None.

Testified: Dave Broderick (pro).